



MDB UPDATE

International Trade Administration/U.S. Department of Commerce

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Sectorally, Transport and Communications received the largest share of loans with 28.4 percent of total lending. Energy followed with 17.9 percent; Finance with 15.2 percent; Others with 13.7 percent, Social Infrastructure with 11.8 percent; Agriculture and Natural Resources with 8.7 percent; Multisector with 2.7 percent; and Industry and Non-Fuel Minerals with 1.5 percent.

In 2002, ADB's assistance to private sector projects increased to \$145 million, up 287% from \$37.5 million the prior year. This includes four equity investments totaling \$35.5 million, an increase over 2001's \$30.4 million figure.

The Bank's cofinancing operations nearly doubled from \$1.4 billion in 2001, to \$2.7 billion in 2002 – approximately 47 percent of ADB's total lending. ADB issued a \$500 million Partial Credit Guarantee to support a bond issue for the Philippine Power Sector Restructuring Program, and three Political Risk Guarantees to support two power projects in Viet Nam and a governance project in Pakistan.

Technical assistance (TA) operations increased by 24 percent-- \$182.2 million largely from multilateral and bilateral sources. Indonesia received the largest number of TAs (\$19.4 million, 14 percent), followed by the People's Republic of China (\$15.5 million, 11 percent); Afghanistan (\$15.0 million or 11 percent); and India (\$13.3 million or 9 percent). Sectorally, Social Infrastructure received the largest share (\$23.1 million or 16 percent); followed by Transport and Communications (\$17.8 million or 13 percent); Multisector (\$17.6 million, or 12 percent), and Finance (\$16.7 million or 12 percent).

African Development Bank (AfDB) Update

PRIVATE SECTOR GUIDE: CRITICAL INFORMATION

What types of private sector projects does the AfDB fund?

The AfDB provides traditional financing for projects that involve the establishment, expansion, diversification, and/or modernization of production facilities in a variety of sectors, including energy, manufacturing, agribusiness, transport, infrastructure, extractive industries, banking and finance, tourism, and other service industries. To date, most of the private sector projects have focused on financial services, manufacturing, and infrastructure.

A complete and detailed overview of the AfDB's Private Sector Window is found in their [brochure](#)

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What does the AfDB view as important objectives for private sector projects?

- Employment generation
- Technology transfer and the acquisition of specific skills and knowledge
- Generation of foreign exchange earnings and savings
- Transformation of local raw materials into value-added products
- Development of local financial markets
- Catalyzing Foreign Direct Investment (FDI) to African countries

What criteria are important when the AfDB evaluates a project?

- The project sponsor's company(s) must be incorporated in an African country
- The company must be privately owned and managed
- The Bank's contribution to the total project cost must be at least \$3 million; smaller contribution is possible for social projects (health and education) and for financial services. The Bank may contribute up to one-third of total project cost.
- The project sponsor(s) equity must be at least 30 percent of total costs, except for private infrastructure projects (approximately 40 percent).
- The project must be environmentally sound and comply with the AfDB's environmental guidelines (link) and the regulations of the respective country

What types of financial instruments are available through the AfDB Private Sector window?

financial institutions and commercial firms.

Lines of Credit: The Bank offers lines of credit to private financial institutions for on-lending to small and medium sized enterprises.

Loan Syndications: Syndications may involve the Bank acting as arranger of financing or involve arrangements whereby banks and other financial institutions are offered to participate in a Bank loan with the banks taking the same project risk as the Bank on a pro-rata basis.

Underwriting: The Bank can act as an underwriter of a portion of the securities issued by private sector entities and national or regional investment funds.

What steps do I need to take to have my project reviewed by the AfDB?

Contact the [AfDB Commercial Liaison Office](#) to get a sense of whether your project could qualify for AfDB financing

Develop an executive summary of the project, including the project description, the sponsors, cost estimates, financing plan, key technical and environmental features, feasibility indicators, business climate and market prospect, and implementation plan.

Provide this executive summary to the AfDB Commercial Liaison Office who will submit it to the Private Sector Department for an initial review of the project.

If the Bank determines that your project meets their requirements, they will ask you to submit a full proposal, which must include a feasibility study, business plan, and environmental impact assessment/study if it falls in the category that requires this type of study.

World Bank (WB) Update

WORLD BANK EXPECTED TO APPROVE \$185 MILLION IN NEW GRANTS FOR AFGHAN RECONSTRUCTION

The World Bank is playing the lead role in the effort to reconstruct Afghanistan.

In addition to \$100 million in grants already provided in immediate assistance to Afghanistan and an additional \$470 million in concessional assistance over two years, the World Bank is expected to announce in the near future \$185 million to support two new emergency infrastructure projects in the health and infrastructure sectors. These two projects and a new \$140 million multi-donor Afghanistan Reconstruction Trust Fund (ARTF) will offer new opportunities for American companies. The ARTF is administered by the World Bank for the financing of unfunded priority expenditures for the Afghanistan's reconstruction program. Of the \$140 million pledged by 21 donor countries, \$105 has

been paid in. A brief summary of these two new projects is described below.

-- Emergency Transport Rehabilitation Afghanistan Project (\$125 Million): This \$125 million infrastructure project is expected to be approved by the bank's board in the near future and includes a major road component from Kabul to the North, several secondary and tertiary roads in the North, and a Kabul airport component that includes runway rehabilitation and power distribution system.

-- Health Sector Emergency Rehabilitation Project (\$60 million): The objective of this contract is to help the Afghanistan Government provide basic health services for its population of 25 million. The project is expected to include an expansion of basic health services, expand basic rural health infrastructure, and pilot ways to intervene to assist in outbreak of diseases.

These new efforts on the part of the World Bank are in addition to the bank's having taken the lead in providing funds for the Afghanistan Preliminary Needs Assessment for Recovery Report and the Reconstruction Transitional Support Strategy completed last year.

The bank has worked closely with the United States effort, which is coordinated by the Trade Promotion Coordinating Committee. CS-World Bank has monitored the work at the World Bank and continues to participate in meetings on Afghanistan at both the U.S. Commerce Department and at the U.S. Trade and Development Agency (USTDA).

Over the past several months, USTDA has sponsored two Orientation Visits of high level Afghanistan delegations in the Aviation and Oil and Gas Sectors. These meetings have been instrumental in helping the Afghanistan Government discuss strategies to implement their goals as well as to introduce these delegations to U.S. business executives.

Information on World Bank funded projects, on the Afghanistan Reconstruction Trust Fund, including key contacts in Afghanistan and at the Bank, and on other activities of the World Bank in Afghanistan, is available on the World Bank's website: www.worldbank.org/afghanistan. American companies interested in any of the above should contact Bill Crawford at the Commercial Service Liaison Office in the Office of the U.S. Executive Director to the World Bank (E-mail: WCrawford@worldbank.org; Tel: 202-458-0120).

WORLD BANK GROUP JOINS WITH COMMERCIAL SERVICE TO PROMOTE TRADE WITH AFRICA

panel. Commercial Service World Bank made a presentation on how its group members like the International Finance Corp (IFC) and the Multilateral Investment Guarantee Agency (MIGA) and the International Development Association (IDA) can assist African firms and entrepreneurs in financing projects that will involve procuring US goods and services for exports under AGOA. The USED gave a speech and moderated a panel on "Financing Private Sector Development to Promote Economic Growth." The USED spoke about how the World Bank Group can work with the African public and private sectors to create "two-way-trade" linkages with US private sector players like Hershey, M and M Mars, Target and J.C. Penny.

Participation in the AGOA Forum allowed the USED and the Commercial Service to promote the many services that the multilateral development banks in general and the World Bank Group in particular have in promoting and facilitating "two-way trade." The AGOA Forum had more than 3,000 business and government leaders in attendance. Many of the attendees were interested in not only exporting to the US under AGOA, but conducting joint ventures with US firms that are interested in supplying goods and services to Africans participating in trade and AGOA-related activities. Firms and individuals interested in learning more about World Bank Group activities and opportunities for U.S. firms and individuals should contact Eric Henderson. ehenderson@worldbank.org; Tel: 202-458-0118.

HOW TO USE THE WORLD BANK WEBSITE FOR COMMERCIAL OPPORTUNITIES

The Commercial Service has created a fifteen-minute tutorial on "How to Navigate the World Bank Website" to evaluate commercial opportunities and contacts for project and Bank-financed procurement opportunities that U.S. firms can participate in. The navigating tool uses step-by step instructions to help US firms locate Project Information Documents (PIDs), bidding documents and the Monthly Operational Summary (MOS), a listing of all recently approved projects and the amount of their funding. This navigating tool can be accessed by e-mailing Eric Henderson with the Commercial Service World Bank at ehenderson@worldbank.org. The World Bank (WB) lends \$15 - 25 billion annually to developing country governments to fund projects for economic development and poverty reduction. This funding generates some 40,000 contracts each year for private companies to supply a wide range of goods and equipment, services and civil works. Contracts range from several hundred million to a few thousand dollars, representing significant export opportunities for companies large and small.

The World Bank website is an essential resource for

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companies interested in pursuing these procurement opportunities. The website provides timely and up-to-date information about WB projects and programs in specific countries, contracts awarded under World Bank supervision, rules and procedures governing World Bank-financed procurement as well as information on other programs of interest to companies. This report is intended to help firms navigate through this wealth of information.

While the WB Internet site is an invaluable tool, it does not replace the assistance and guidance that the Commercial Service Liaison Office at the WB can offer to firms. Important contact information is listed at the conclusion of this report.

It is also important to remember that posted information can become out of date or may be incomplete, its position on a website can change, and what seems clear-cut may not be. For this reason is it useful to clarify questions with Commercial Service Liaison staff.

European Bank for Reconstruction and Development (EBRD) update

EBRD TRANSITION REPORT PUBLISHED

The 2003 EBRD Transition Report focuses on agriculture and rural transition. This report is the ninth in annual series and analyzes the progress of transition from a command to a market economy in each of the 27 countries of Central and Eastern Europe and the Commonwealth of Independent States in which the Bank operates. The report also identifies the challenges of the coming years. The full report can be downloaded from the bank's web site at http://ebrdnet.ebrd.com/ebrdnet/business_information/publications/tr/tr02/tr02.htm.

EBRD MAKES RECORD \$3.9 BILLION IN COMMITMENTS

The Bank recently announced that it made a record \$3.9 billion of new commitments in 2002: \$1.3 billion to Russia, \$1.4 billion to "early and intermediate transition countries" (e.g. Kazakhstan), and \$1.2 billion to "advanced transition countries" (e.g. Czech Republic). Together, the commitments to Russia and early/intermediate countries represent nearly 70 per cent of the year's business volume.

QUICK INFORMATION ABOUT EBRD PROJECTS

The CS-EBRD is now working closely with multiplier organizations to ensure prompt dissemination of EBRD project leads and notices to the widest possible audience. To help US exporters learn about bank's projects we are

working with The Business Information Service for the Newly Independent States (BISNIS) and Central and Eastern Europe Business Information Center (CEEIBC). In addition, CS-EBRD has its own database system whereby the leads/tenders are e-mailed directly to targeted clients. If you wish to be registered in CS-EBRD client database, please contact Ms Ayse Ozcan at ozcana@ebrd.com or visit CS-EBRD web site at www.buyusa.gov/uk/en/cs_european_bank.html.

ANNUAL MEETING AND THE BUSINESS FORUM

ANNUAL MEETING

The EBRD's 12th Annual Meeting will take place in Tashkent, Uzbekistan, on Sunday 4 and Monday 5 May 2003. It is expected to bring together about 2,000 participants, including senior government officials; bankers, business people and other investors; SMEs.

The Annual Meeting and Business Forum offer a unique networking opportunity for the participants to interact with EBRD Staff. EBRD bankers will be available throughout the event for discussions on how to work in partnership with the EBRD. Attendees will be able to discuss business development prospects, as well as exchange of views with key policy makers. This event is a significant milestone as it is the Bank's first annual meeting and business forum in Central Asia.

For more information and registration, please contact the EBRD Annual Meetings Unit, 1 Exchange Square London EC2A 2JN, United Kingdom. Tel: +442073386625 Fax: +442073387230 E-mail: aminvitations@ebrd.com. Online registration is also available at <http://www.ebrd.com/am>. Or, you can contact Ms Ayse Ozcan at ozcana@ebrd.com.

THE 2003 BUSINESS FORUM

The Business Forum will be held in parallel with the Annual Meeting and will focus on doing business for the long-term profit of investors and the people of the region. An influential group of key investors and policy-makers will bring their thoughts and experience to the discussions.

The themes will revolve around open markets and open societies as keys to unlocking investment potential. There will be 5 sessions concentrating on the investment climate, cross-border economic and commercial cooperation, efficient delivery of water supplies and the legal issues for small and medium sized firms in transition countries.

COUNTRY PRESENTATIONS

A program of 27 presentations, one focused on each of the EBRD's countries of operation, will be held with panelists representing governments, businesses and the EBRD. The

panel for each presentation will reflect the importance of partnership between governments, business people and international institutions such as the EBRD.

US BUSINESS BREAKFAST

CS-EBRD is working with EBRD officials and Amcham Tashkent to organize a breakfast briefing for US companies participating in the Annual Meeting Business Forum. At this breakfast briefing, U.S. firms will have an opportunity to hear from and interact with senior EBRD officials. This event will provide information about U.S. participation in Bank activities, EBRD funded project opportunities and how to work with the EBRD.

Inter-American Development Bank (IDB) Update

HEALTH

SHARED AGENDA FOR HEALTH IN THE AMERICAS MEANS OPPORTUNITIES FOR U.S. FIRMS

The Inter-American Development Bank, the World Bank, and the Pan America Health Organization pursue similar objectives in terms of Health. They are collaborating their efforts in the following areas: (1) to improve health conditions of the peoples of the Western Hemisphere through activities in environment, disease prevention and control, and strengthening of the services; (2) to reduce, and eliminate, to the extent possible, avoidable inequalities in health conditions and in access to health services and basic sanitation; (3) to institutionally strengthen and improve the efficacy, efficiency, and effectiveness the services of the public and private health systems (4) to encourage greater synergy between health and social and economic development using – among other means – evaluations of the health impact of programs on different aspects of development.

In Latin America and the Caribbean there are six proposed projects in the pipeline addressing the need in the hemisphere from health reforms, rehabilitation, and strengthening. To find out more information on these and any health sector project visit www.iadb.org/exr/english/projects.

2003 GLOBAL LEADERS FOR TOMORROW PROGRAM

Jose A. Fourquet, U.S. Executive Director, IDB Award Recipient

Bush Administration's commitment to finding the best and most qualified candidates to fill positions of great importance in the United States Government."

INTER-AMERICAN DEVELOPMENT BANK

ANNUAL MEETING

On March 24-26, 2003, the Inter-American Development Bank (IDB) will hold its 44th Annual Meeting in Milan, Italy. The Board of Governors will review the Bank's Annual Report and discuss how to promote the development of Latin America and the Caribbean. U.S. firms interested in attending this conference and the Business Forum, which begins on March 20, 2003, should contact the IDB's Secretariat to register. For more information visit: www.iadb.org/exr.am/2003.

The U.S. Commercial Service Liaison Office, in collaboration with the Business Council for International Understanding, will host a "Luncheon Briefing" for U.S. Business Executives on Monday, March 24, 2003, from 12:45 p.m. – 2:00 P.M at the Hotel Melia Milano, Milan, Italy. *Keynote speaker: the Honorable Jose Fourquet, U.S. Executive Director.* For more information, please contact Miriam Kalnicki at (202) 775-6025 or Email: m-kalnicki@bcIU.org.

IMPORTANT IDB BUSINESS SEMINAR ON PROCUREMENT IS AN EXCELLENT OPPORTUNITY FOR U.S. FIRMS TO LEARN ABOUT THE NUTS AND BOLTS OF DOING BUSINESS WITH THE IDB

On April 8-9, 2003, the IDB's External Relations Department will host its ***Procurement Workshop Seminar*** at headquarters in Washington, DC. The workshop will focus on procurement and consulting procedures, how to bid on contracts for goods, equipment, works and consulting services; the role of the IDB Country Office and executing agencies in the procurement process.

Any firm interested in doing business in Latin America and the Caribbean through IDB funded projects should attend this Procurement Workshop Seminar. There are especially an abundance of opportunities in the environment (water and waste water) transportation, IT, management consulting, and training sector. For further information on the IDB and its activities, please visit: www.iadb.org/exr/english/business_opp/regform.htm or you may call Isabel Hagbrink on (202) 623-1546 email: isabelh@iadb.org.

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Development informs U.S. companies of
commercial opportunities available through
the multilateral development banks. In
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Bank, and when necessary and advisable, advocates
on behalf of the company to insure fair
consideration during the bid process